

Message Text

CONFIDENTIAL

PAGE 01 STATE 228020

62

ORIGIN EUR-12

INFO OCT-01 ISO-00 AGR-05 EB-07 COME-00 TRSE-00 CIEP-01

SAJ-01 BIB-01 NSA-01 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

OMB-01 FRB-03 STR-04 CEA-01 /084 R

DRAFTED BY EUR/EE:TEDEAL/DMILLER:DPB

APPROVED BY EUR:JAARMITAGE

USDA:JBESHOAR/RGOODMAN

D:MSPENDLETON

EB/ORF/FPD:RGOODMAN

C: SHINN

S/S -FVORTIZ

----- 107202

P R 242116Z SEP 75

FM SECSTATE WASHDC

TO AMEMBASSY WARSAW PRIORITY

INFO AMEMBASSY MOSCOW

C O N F I D E N T I A L STATE 228020

E.O. 11652: GDS

TAGS:EAGR, EEWT, PL

SUBJECT:POLISH MINISTER OF AGRICULTURE DISCUSSIONS

1. ON FIRST DAY OF STAY IN US, BARCIKOWSKI MET WITH
SECRETARY BUTZ AND THE DEPUTY SECRETARY AND CONFERRED WITH
MEMBERS OF CONGRESS.

2. DURING MORNING SESSION AT USDA, SECRETARY BUTZ SAID
THAT US.WAS ANXIOUS TO EXTEND BASIS FOR FURTHER
COOPERATION WITH POLAND IN AGRICULTURE. HE NOTED THAT 30
DAY HOLD ON GRAIN SALES TO POLAND IS PURELY TEMPORARY
WHILE US WORKS OUT LONG TERM GRAIN ARRANGEMENT WITH
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 228020

SOVIETS. HE STATED TEMPORARY HOLD BASED ON CONSIDERATIONS

OUTSIDE US/POLISH RELATIONS, AND US GRAIN SALES ARE AN EMOTIONAL DOMESTIC PROBLEM. SECRETARY BUTZ ASSURED BARCIKOWSKI THAT THERE HAS BEEN NO CHANGE IN U.S. POLICY TOWARDS POLAND. U.S. CONTINUES TO VALUE POLAND AS A CUSTOMER AND RECOGNIZES THAT AGRICULTURE TRADE MUST BE TWO WAY STREET. U.S. HAS RECORD CROP AND EXPECTS TO MEET NEEDS OF FOREIGN BUYERS AND STILL INCREASE CARRY OVER STOCKS SUBSTANTIALLY. SECRETARY NOTED THAT TO MAINTAIN POLICY OF FULL PRODUCTION, U.S. MUST HAVE ASSURANCES THAT EXPORT MARKET WILL BE THERE TO TAKE COMMODITIES PRODUCED IN EXCESS OF DOMESTIC DEMAND. USDA AND PRESIDENT FORD REMAIN COMMITTED TO POLICY OF FULL PRODUCTION.

3. MINISTER BARCIKOWSKI SAID THAT POLAND WILL BE MAJOR IMPORTER OF U.S. AGRICULTURAL COMMODITIES FOR MANY YEARS TO COME AND THAT IMPORTS FROM U.S. ARE ESSENTIAL TO MEET PRIORITY GOAL OF INCREASING MEAT PRODUCTION. POLAND WANTS TO IMPROVE PLANNING FOR GRAIN IMPORTS AND STABILIZE U.S.-POLISH GRAIN TRADE. IN THIS CONNECTION HE MADE THREE POINTS: (1) POLAND'S LONG-TERM PURCHASE INTENTIONS, (2) POLAND'S IMPORT SITUATION THIS YEAR AND (3) POLAND'S DESIRE FOR CCC CREDITS TO FINANCE PART OF COMMODITY PURCHASES.

4. LONGTERM UNDERSTANDING: MINISTER SAID GOP PROPOSES FIVE YEAR AGREEMENT PROVIDING FOR AVERAGE PURCHASE OF 2.5 MILLION MT OF GRAIN ANNUALLY WITH POSSIBLE VARIATION OF PLUS OR MINUS 20 PERCENT. HE SAID HE IS EMPOWERED BY GOP TO NEGOTIATE SUCH AGREEMENT OR ARRANGEMENT AND HOPES IT COULD BE CONCLUDED BEFORE END OF YEAR. FORM OF AGREEMENT NOT REPEAT NOT IMPORTANT. HE HAND SECRETARY BUTZ AIDE MEMOIRE TO THIS EFFECT. SECRETARY BUTZ SAID THIS WAS AN EXCELLENT OFFER. IT WAS THEN AGREED IT WOULD BE REALISTIC TO WORK TOWARD EXCHANGE OF LETTERS BETWEEN BUTZ AND BARCIKOWSKI DURING SECRETARY BUTZ'S (TENTATIVELY SCHEDULED) VISIT IN NOVEMBER. CONTENT OF LETTERS IS TO BE NEGOTIATED BETWEEN NOW AND NOVEMBER. LETTERS WILL BE WITHIN FRAMEWORK OF U.S. POLISH JOINT STATEMENT ON DEVELOPMENT OF AGRICULTURAL TRADE OF OCTOBER 8, 1974. FYI UNDER EXISTING POLICY GUIDELINES USDA EMPOWERED TO GO NO CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 228020

FARTHER THAN SUPPLY ASSURANCES "SUBJECT TO AVAILABILITIES." END FYI.

5. POLAND'S IMPORT SITUATION: POLAND WILL HAVE TO IMPORT SLIGHTLY LESS THAN 6 MILLION MT OF GRAIN THIS YEAR. SO FAR 2.7 MILLION TONS HAVE BEEN PURCHASED FROM U.S. AND 800,000 TO 1 MILLION MORE ARE DESIRED. POLAND IS CONCERNED ABOUT "SAD OCCURENCE" OF HOLD ON EXPORTS AND

ABOUT PRICE EFFECTS IF GOP MUST WAIT FOR SETTLEMENT WITH USSR BEFORE REENTERING MARKET. SECRETARY BUTZ EXPLAINED AT LENGTH THAT MARKET HAS DISCOUNTED FUTURE SALES TO POLAND, USSR AND OTHERS AND THAT PRICE SITUATION WILL BE FAVORABLE TO BUYERS. MINISTER ASKED IF POLAND WOULD BE ABLE TO PURCHASE 1 MILLION TONS AND SECRETARY SAID "YES".

6. CCC CREDITS: MINISTER NOTED THAT POLAND WILL SPEND \$550 MILLION FOR GRAINS IN U.S. MARKET THIS YEAR. SALES ARE ADVANTAGEOUS TO U.S. AND CREAT BALANCE OF PAYMENTS PROBLEMS FOR POLAND. IN THIS CONTEXT, THE MINISTER RENEWED POLISH REQUEST FOR \$200 MILLION IN CCC CREDITS. SECRETARY BUTZ EXPLAINED CURRENT BUDGET SITUATION, STATED THAT THERE WAS NO POSSIBILITY OF PROVIDING ENTIRE \$200 MILLION, BUT SAID WE WOULD DO WHAT WE COULD. SECRETARY DECLINED TO GIVE ANY ESTIMATE OF HOW MUCH CREDIT MIGHT BE AVAILABLE AND NOTED THAT THIS WOULD PARTLY DEPEND ON WHAT TRANSPIRED DURING PRESIDENT'S TALKS WITH GIEREK AND JAROSZEWICZ LAST JULY.

7. FOLLOWING LUNCHEON ON THE SEQUOIA AND A BRIEF MEETING WITH SEVERAL MEMBERS OF CONGRESS, MINISTER BARCIKOWSKI CALLED ON DEPUTY SECRETARY INGERSOLL. BARCIKOWSKI REPEATED MANY OF THE SAME POINTS MADE IN THE MORNING MEETINGS AT AGRICULTURE. HE REITERATED POLISH INTEREST IN A LONG-TERM AGREEMENT, ADDITIONAL GRAIN PURCHASES, AND CCC CREDITS. DEPUTY SECRETARY SAID THAT WE APPRECIATED THE POLES' PREMPT COMPLIANCE WITH OUR REQUEST FOR A TEMPORARY HALT IN NEW GRAIN PURCHASES. THIS HAD PROVEN NECESSARY BECAUSE OF THE GENERAL UNCERTAINTY OVER THE SIZE OF THE US GRAIN CROP AND THE LEVEL OF SOVIET PURCHASES. HE EMPHASIZED, CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 228020

HOWEVER, THAT WE WOULD TAKE GOOD CARE OF OUR TRADITIONAL CUSTOMERS. THE PROPOSAL FOR A LONG-TERM PURCHASING AGREEMENT SHOULD BE FULLY EXPLORED. THE BIG PROBLEM, OF COURSE, WITH ANY SUCH ARRANGEMENT IS THE NEED TO ASSURE SOME FLEXIBILITY. BARCIKOWSKI BRIEFED THE DEPUTY SECRETARY ON PRESENT CONDITIONS IN POLISH AGRICULTURE.

8. IN CONCLUDING, BARCIKOWSKI SAID THAT BEFORE LEAVING FOR THE US HE HAD MET WITH FIRST SECRETARY GIEREK WHO ASKED TO CONVEY GREETINGS TO THE PRESIDENT AND SECRETARY KISSINGER. HE SAID THAT PRESIDENT FORD LEFT A STRONG, POSITIVE IMPRESSION IN POLAND. SECRETARY BUTZ INFORMED THE MINISTER THAT FOLLOWING THE VISIT THE PRESIDENT HAD GIVEN THE CABINET A GLOWING REPORT.

9. COMMENT: BARCIKOWSKI SHOWED HIMSELF TO ADVANTAGE DURING THE DISCUSSIONS IN WASHINGTON. ALTHOUGH EXTREMELY TIRED FROM THE PREVIOUS DAYS JOURNEY, BARCIKOWSKI IMPRESSED US WITH HIS BROAD KNOWLEDGE OF POLISH AGRICULTURE PROBLEM AND PERSPECTIVES, AND WITH HIS FRANK, DIRECT APPROACH.

10. THE FOREGOING IS FYI AND YOU SHOULD NOT RAISE THESE ISSUES WITH POLES UNTIL INSTRUCTED.

11. MEMCONS FOLLOW.
ROBINSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MINISTERIAL VISITS, DIPLOMATIC DISCUSSIONS, AGRICULTURAL PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE228020
Document Source: CORE
Document Unique ID: 00
Drafter: TEDEAL/DMILLER:DPB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750331-0782
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750920/aaaaarww.tel
Line Count: 182
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUN 2003 by izenbei0>; APPROVED <20 OCT 2003 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OLISH MINISTER OF AGRICULTURE DISCUSSIONS
TAGS: EAGR, EEWT, PL, US, (BARCIKOWSKI, KAZIMIERZ)
To: WARSAW
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006